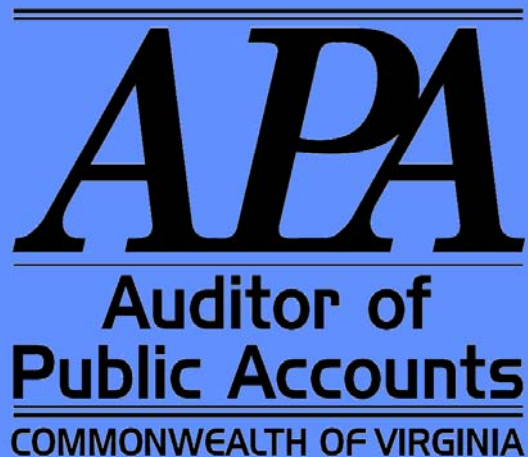


**COMMONWEALTH OF VIRGINIA
COURT OPERATIONS**

**REPORT ON AUDIT
FOR THE YEAR ENDED
JUNE 30, 2009**



REPORT SUMMARY

This report provides a comprehensive overview of the fiscal operations of the Commonwealth's Circuit and District Courts. We have compiled this information from various sources to show both the Courts' collections and their general operating expenses.

Both the Circuit and District Courts collect fines, fees, and costs for the adjudication of cases which come before the courts. In addition, the Circuit Courts record and maintain numerous official documents and, in connection with these duties, collect fees, taxes, and other funds for deposit in both the Commonwealth's and locality's treasuries. The Courts also hold funds for others and amounts pending the adjudication of cases; this report does not include these amounts.

The General Assembly, during the 2010 session, included in the Appropriation Act two of our four recommendations from the last report. Effective April 2010, all District Courts now deposit their state collections directly into the treasury. In addition, effective July 1, 2010 the Circuit Courts no longer receive a commission on select Commonwealth collections.

The remaining two recommendations are repeated in this report. These recommendations include:

1. The Compensation Board's allocation of excess fees; and
2. Consistent accounting and reporting of all transactions affecting both Circuit and District Court operations.

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Commonwealth of Virginia

Walter J. Kucharski, Auditor

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

January 20, 2011

The Honorable Robert F. McDonnell
Governor of Virginia
State Capital
Richmond, VA

The Honorable Charles J. Colgan
Chairman, Joint Legislative Audit
and Review Commission
General Assembly Building
Richmond, Virginia

This is our report of the **Commonwealth of Virginia Court Operations** for the fiscal year ended June 30, 2009. This report is a follow-up to our Collections and Costs of Operating the Circuit and District Courts by Locality report from September 2009. It provides an overview of the complete fiscal operations of the Courts by locality in the Commonwealth. As of June 30, 2009, there are 120 Circuit Courts and 201 District Courts, which represent 78 General District Courts, 76 Juvenile and Domestic Relations Courts, and 47 localities that operate a combined General District and Juvenile and Domestic Relations Court.

This report combines information from a number of sources and is heavily dependent on the Comparative Report of Local Government Revenues and Expenditures report also issued by our office, which is not available until after local governments have their audits.

The *General Information* section provides an explanation of the report information and includes two recommendations for the General Assembly's and the Supreme Court of Virginia's consideration for improving the efficiency of the Courts' fiscal processes. One recommendation suggests a change in the method for calculating excess fees, another recommends that the Supreme Court of Virginia monitor compliance with guidance currently provided to ensure consistent accounting and reporting of transactions.

The *Notes to Schedules* section includes an explanation of the sources of information presented in the tables. In publishing this report, we have included the Summary Schedule of all localities combined for fiscal year ended June 30, 2009. On our website is a copy of this report, as well as an Appendix that includes all of the individual locality schedules. (www.apa.virginia.gov)

We would appreciate your comments and suggestions concerning this report. Our ultimate objective of this report is to provide timely and useful data.

Auditor of Public Accounts

WJK/clj

General Information

Introduction

This report provides a comprehensive overview of the fiscal operations of the Commonwealth's Circuit and District Courts. We have compiled this information from various sources to show both the Courts' collections and their general operating expenses.

Both the Circuit and District Courts collect fines, fees, and costs for the adjudication of cases which come before the courts. In addition, the Circuit Courts record and maintain numerous official documents and, in connection with these duties, collect fees, taxes, and other funds for deposit in both the Commonwealth's and locality's treasuries. The Courts also hold funds for others and amounts pending the adjudication of cases; this report does not include these amounts.

The Commonwealth's Courts operate principally by locality and receive support from the Commonwealth and the locality. Generally, the Commonwealth funds salaries and benefits, and provides computer support and training; the localities provide space, equipment, and other operating costs. Some localities also supplement the salaries and benefits of certain court employees or hire employees to work for Circuit Courts.

In addition to the Judges and Court Clerk and other personnel, this report includes the cost of courthouse and courtroom security and process servicing provided by the Sheriff's Office. As discussed later, we have allocated these costs between the Circuit and District Courts and will need to refine this allocation in the future.

Reporting Methodology

This report uses information from the Supreme Court's Financial Management and Case Management Systems, Department of Accounts' Commonwealth Accounting and Reporting System, and the Auditor of Public Accounts' Comparative Report on Local Government Revenues and Expenditures (Comparative Report). We have used these various systems and reports to accumulate information for both Commonwealth and locality expenses to support the Courts.

In using these various systems and reports, we have eliminated duplicate information to ensure that we include both collections and expense information only once. We also made some allocations of cost between the Circuit and District Court systems and have had to assume manpower allocations based on services rendered.

As part of our audits of the Commonwealth, the Supreme Court of Virginia, and the individual Circuit and District Courts, we have audited the Financial Management and Case Management Systems and the Commonwealth Accounting and Reporting System. Each locality prepares its information for the Comparative Report, and the locality's certified public accounting firm reviews the information.

Both the Circuit and District Courts receive and hold funds pending the outcome of cases, monies held in trust, and other funds held in a fiduciary manner. This report does not include the

amounts that either the Circuit or District Courts hold for others. Only the fees charged by either Court while pending case disposition are included in this report.

Funding Methods

While the Commonwealth and the localities share in the funding of the Circuit and District Courts, the method of funding significantly varies between the two types of courts. We will provide a brief description of the funding methods here and will discuss later some of the unique aspects of these funding methods.

In addition to sharing in the cost of operating the Courts, the localities also receive a portion of the collections in both courts. The amounts localities receive from the Courts, whether Circuit or District, typically represent fines and costs assessed on cases brought against individuals under local ordinances. The localities may also receive funds arising from fees and taxes for the recording of property deeds and other transactions.

In addition, the localities receive a share of the Circuit Court collections under a calculation that is extremely difficult to follow. The calculation incorporates processes that date back to when the Circuit Courts funded their operations only from fees. This process no longer applies. We discuss this allocation of circuit court collections below in the section entitled “Excess Fees.”

Following is a general discussion of the funding of District and Circuit Courts with a brief explanation of where the collections go.

District Courts

The Supreme Court of Virginia receives a General Fund appropriation to pay for the salaries and fringe benefits of the Judges and Clerk’s staff for these courts. The Supreme Court also pays for computer support and system development costs from its appropriation; however, we did not allocate these costs to the courts.

The Commonwealth, through the Compensation Board supplemented by locality funding, provides security to the courtrooms and courthouse. The localities provide workspace, courtrooms, and maintenance and operating costs for the facilities.

During fiscal year 2009, District Courts transferred about 76 percent of their collections to the Circuit Court for deposit with the Commonwealth, the Court’s locality, or its town. This practice of transferring funds was a vestige of the system prior to District Court establishment. Effective April 2010, the District Courts now directly deposit state collections with the state treasury; however, District Courts still transfer local collections to the applicable Circuit Court who then sends the funds to the appropriate local treasury, after deducting a commission.

Circuit Courts

The Supreme Court of Virginia receives a General Fund appropriation to pay for the salaries and fringe benefits of the Judges. The Supreme Court also pays for computer support and system development costs from its appropriation; however, we did not allocate these costs to the Courts.

The Commonwealth, through the Compensation Board, pays for the salary and fringe benefits of the Clerk of the Circuit Court and most of the staff, as well as the Sheriff's salary and fringe benefit costs for security for the courtrooms and courthouse. Some localities supplement both the Clerk's salary and those of the staff, and in some cases, employ individuals to compliment the Clerk's and Sheriff's staffing. The localities provide workspace, courtrooms, and maintenance and operating costs for the facilities.

Circuit Courts generally deposit their collections not held as a fiduciary directly with the Commonwealth, or court's locality, or town. For presentation in this report, we do not show the transfer of collections from the District Courts to the Circuit Courts as Circuit Court collections, but provide for informational purposes the amount of the transfers separately.

Collections

Courts do not have the authority to spend the revenues they collect. All monies collected go to the Commonwealth, the Court's locality, or its town on a regular basis as defined by the Code of Virginia.

- Commonwealth Collections – During fiscal year 2009, District Courts sent most Commonwealth collections to the Circuit Courts every Friday and the last day of every month. Circuit Courts then sent Commonwealth collections, including those monies received from the District Courts, to the state treasury. Effective April 2010, they now deposit these collections directly into the state treasury every Tuesday and Friday, or when collections exceed \$5,000.
- Local Collections – District Courts accumulate local collections and transfer them to the Circuit Courts at month end, except for the following amounts, which they send directly to the local treasurer: Courthouse Security Funds; Jail Admission Fees; Courthouse Maintenance Fees; Local Law Library Fees; Sheriff's Fees; Local Training Academy Fees; and Non-Consecutive Jail Time Fees. Circuit Courts accumulate local collections, including the monies from the District Courts, and send them to the local treasurers at month end. Therefore, local collections accumulated in the district courts in May, go to the Circuit Courts in June, and then go to the local treasurers in July.

Clerks' Fees

Circuit Court Clerks can statutorily charge various fees for performing certain functions. The Code of Virginia sets forth the services for which there is a fee and the amount the Clerk can charge. The *Notes to Schedules* section has a detailed listing of the fees, which includes such items as processing marriage licenses and wills, and recording certain real property transactions. The Court sends these collections to the Commonwealth, and potentially a portion of these collections comes back to the locality as part of the excess fee calculation discussed later.

Commission on State Collections

During fiscal year 2009, Circuit Court Clerks received from the State Treasury a commission for select Commonwealth Collections in their court, including the transfer of funds from the District Courts. The commission is five percent of the first \$50,000 and three percent of the amount in excess of \$50,000. This commission will continue through fiscal year 2010; however, it ends effective July 1, 2010.

Clerks' Commission on Local Collections

Circuit Court Clerks receive a five percent commission on select local collections including the amount transferred from the District Courts. The Financial Management System calculates the commission on the amounts the Clerk send each locality and records the commission in the appropriate Clerks' Fees account.

State Compensation Board Reimbursement

The Compensation Board establishes a budget for each locality's Constitutional Officers, of whom the Clerk of the Circuit Court and Sheriff are two. The Compensation Board uses this budget to allocate state resources to the Constitutional Officers. For purposes of this report, we are chiefly interested in transactions affecting Clerks of the Circuit Court and Sheriffs as their activities relate to Circuit and District Courts.

The Compensation Board has been functioning since 1934, and originally controlled the amount of fees the individual Constitutional Officers could retain to operate their offices. Since the late 1930's, the Commonwealth has changed the funding of the Constitutional Officers from fees to an approved General Fund appropriation. The Circuit Court Clerks were the last Constitutional Office to shift from fees to a General Fund appropriation in 1985. In all but one locality, the locality's central accounting and payroll offices pay the Clerk's employees and bills, and the Compensation Board sends the locality a reimbursement for the state share of these expenses.

Expenses

Judicial Administration

We have included under this caption the amounts paid for by the Supreme Court of Virginia, the Compensation Board, and the locality. The Supreme Court of Virginia amount includes

primarily the direct salaries and benefits paid to judges and the District Court Clerk office personnel, with some funds for miscellaneous costs. The expenses under the state portion are primarily the expenses the Compensation Board reimbursed the locality, which are mainly the salaries and benefits of the Circuit Court Clerk's office. The final component is the local portion, which can include some personnel, but is typically the operating cost of the court for facilities, supplies, and other needs.

Sheriff Support

This amount is primarily the cost associated with courthouse and courtroom security and process serving. The expenses are primarily salaries and benefits with some other operating costs. The amount shown includes those costs incurred by the locality including the cost reimbursed by the Compensation Board. See Sheriff Support under the *Notes to Schedules* section for additional information regarding our allocation method.

Excess Fees

Prior to 1985, the Circuit Court Clerks needed to generate sufficient Clerk's Fees and other collections to pay for the cost of their office. Clerks would deposit the collection of the fees and commissions into their Clerk's account and would pay all of the expenses of the office, such as salaries, benefits, and other Compensation Board budgeted and approved office costs. If the Clerk did not have sufficient collections to pay for the cost of the office, the Clerk could obtain an advance from either the Compensation Board or the locality.

At least annually, and for larger Circuit Courts more often, the Compensation Board would compare total collections with approved and incurred expenses and determine if the Clerk had collected funds in excess of the authorized Compensation Board budget. For larger Courts, the Compensation Board would use an estimate to project the excess. Because the calculation used collections and expenses paid from the Clerk's Fee Account, many commonly refer to the calculation as "Excess Fees."

If the Compensation Board determined that the Clerk had collections in excess of authorized expenses, the Compensation Board approved a disbursement of the excess to the Commonwealth and the Locality. The Commonwealth received one-third and the locality received two-thirds of the fees in excess of authorized expenses.

Since 1985, the Commonwealth changed the funding for the Clerks from a fee-based office to a General Fund operation. The Compensation Board receives sufficient General Fund monies to pay all of the authorized and budgeted costs of the Clerk's office. Under both the fee-based office approach and the current General Fund Appropriation method, a number of larger localities choose to supplement the salaries, staffing, and other costs incurred by the Clerks not included in the Compensation Board budgets.

Although the Commonwealth no longer funds the Clerk's office from fees, certain practices continue from this system, which incur unnecessary costs for both the Commonwealth and the

locality. One practice is the calculation of the excess fee amount. This calculation is time consuming and the Compensation Board no longer has the information to verify the computation of the amount. The Compensation Board relies on the Clerk to provide the information to perform the computation. The purpose of the computation is to distribute between the Commonwealth and the locality the amounts collected in Clerk's fees beyond the Compensation Board's authorized budget for that locality. The allocation could occur more efficiently by having the Compensation Board set a base collection level for each Clerk, and the Clerk would transfer any amount above the base to the locality and the Commonwealth in accordance with the current allocation.

Recommendation 1:

The General Assembly may wish to consider having the Compensation Board change its method of determining the allocation of excess fees to using a base line minimum and then having the Clerk allocate the amount in excess of the baseline to both the Commonwealth and the locality.

In addition to the recommendation made above, throughout our compilation we encountered numerous instances where the individual Courts are inconsistently recording the same type of transactions. The Supreme Court currently has no method of ensuring that the Clerks are following their guidance on the preferred method of recording transactions. Consistent coding would allow for easier reporting of the data and better comparability among the courts.

Recommendation 2:

The Office of the Executive Secretary, Supreme Court of Virginia, should develop automated reports to monitor compliance with guidance currently provided to ensure consistent accounting and reporting of all transactions affecting both Circuit and District Court operations across the Commonwealth.

SUMMARY SCHEDULE

	Fiscal Year 2009		
	Circuit	District	Total
Collections:			
State	\$ 389,717,638	\$ 184,772,965	\$ 574,490,603
Locality	165,573,729	88,692,772	254,266,500
Town	8,103,335	7,474,101	15,577,436
Clerk's fees	51,247,446	-	51,247,446
Commissions on state collections	15,617,708	-	15,617,708
Gross cash collections	630,259,856	280,939,838	911,199,693
State Compensation Board reimbursement:			
State portion judicial administration	51,240,271	-	51,240,271
State portion sheriff - courts	69,356,441	-	69,356,441
Total collections	750,856,568	280,939,838	1,031,796,405
Expenses:			
Judicial Administration:			
Judges and district court staff salaries paid by State	(37,102,839)	(125,945,872)	(163,048,711)
State portion	(51,240,271)	-	(51,240,271)
Local portion	(43,900,876)	(69,389,589)	(113,290,465)
Sheriff Support:			
State portion	(35,388,716)	(33,967,724)	(69,356,441)
Local portion	(8,452,507)	(70,589,040)	(79,041,547)
Total expenses	(176,085,209)	(299,892,225)	(475,977,435)
Net summary before code required transfers	574,771,359	(18,952,387)	555,818,970
Code required transfers subject to commissions:			
State transfers from district to circuit	148,424,087	(148,424,087)	-
Locality transfers from district to circuit	58,007,564	(58,007,564)	-
Town transfers from district to circuit	7,474,101	(7,474,101)	-
Total transfers	213,905,752	(213,905,752)	-
Net collections/expenses/transfers	\$ 788,677,111	\$ (232,858,139)	\$ 555,818,970

Commonwealth and Locality Collections

	Commonwealth	Local	Total
		Government	
Gross cash collections	\$ 653,313,695	\$ 378,482,712	\$ 1,031,796,406
Expenses incurred	(283,645,423)	(192,332,013)	(475,977,435)
Net before excess fees	369,668,272	186,150,699	555,818,971
Addition of excess fees	8,716,125	17,432,250	26,148,375
Total collections net of expenses	\$ 378,384,397	\$ 203,582,949	\$ 581,967,346

Notes to Schedules

1. Compiling This Report

This report uses information from the Supreme Court of Virginia's Financial and Case Management Systems, Department of Accounts' Commonwealth Accounting and Reporting System, and the Auditor of Public Accounts' Comparative Report on Local Government Revenues and Expenditures (Comparative Report). We have used these various systems and reports to accumulate information in order to show both Commonwealth and locality support of the Courts.

In using these various systems, we eliminated duplicate information to ensure that we included both collections and expense information only once. We also made some allocations of costs between the Circuit and District Court systems and assumed a manpower allocation based on services rendered.

As part of our audits of the Commonwealth, the Supreme Court of Virginia, and the individual Circuit and District Courts, we have audited the Financial Management and Case Management Systems and the Commonwealth Accounting and Reporting System. Each locality prepares the information submitted for the Comparative Report, and the locality's certified public accounting firm reviews the information.

Both the Circuit and District Courts receive and hold funds pending the outcome of cases, monies held in trust, and other funds held in a fiduciary manner. This report does not include the amounts that either the Circuit or District Courts hold for others. Only the fines, fees, taxes, and other transaction costs charged by either Court while pending recording or case disposition are in this report.

The column for District Courts includes the activity of the General District, Juvenile and Domestic Relations, and General District and Juvenile and Domestic Relations Combined Courts.

2. Commonwealth, Locality, and Town Collections

The following tables provide details by source of collection for the Commonwealth, locality, and town. The Code of Virginia defines the transactions for which the Commonwealth or the local government receives the collection.

Note: The Circuit Court numbers presented in the note below may be overstated due to the inconsistent coding by localities of monies transferred from District Courts to Circuit Courts. See discussion above under *General Information*, Excess Fees, and Recommendation 3.

Commonwealth

SOURCE	FY09	
	CIRCUIT AMOUNT	DISTRICT AMOUNT
Alcohol Safety Action Program*	\$ 105	\$ 390
Bad Check Fees	11,778	110,463
Bank Interest*	2,480	70
Blood Test	15,846	134,941
Child Restraint Device Penalty	34,395	829,123
Civil Penalty - Signs	-	25
Civil Processing Fee	199	013,003,573
Civil Remedial Fee	478	2,022
Commercial Fisherman Registration Penalty*	-	64
Commonwealth Attorney Fee	349,149	-
Concealed Weapons Permit Fee*	366,440	5,000
Confiscated Money Drug Related Cases*	227	332
Costs - Commonwealth Cases	7,135,927	5,003,581
Court Appointed Attorney Fee	7,201,002	7,030,465
Court Technology Fund*	762,967	7,764,489
Criminal Injuries Compensation Fund*	1,484,185	1,851,200
Criminal Justice Academy Fee*	69,922	1,480,420
Custody/Visitation Filing Fee*	230	772,132
Deed Processing Fee	10,002,969	-
Domestic Violence Fund*	29,625	2,937,785
Driver Clinic*	-	(68)
Drug Enforcement Fee*	493,161	10,346,299
Drug Offender Assessment Fund*	1,068,434	869,088
Failure To Appear	42,129	5,334,802
Fines and Bond Forfeitures	3,713,658	58,045,598
Fire Suppression Costs*	100	623
Fishing Licenses	6,439	-
Forfeited Property/Confiscated Money	12,881	928
Fraudulent Student Loan	111	-
Game Replacement	1,965	101,946
Grantee Tax	308,905,858	-
Grantor Tax	25,249,856	-
Greenway Toll Facility Fee	931	50

SOURCE	FY09	
	CIRCUIT AMOUNT	DISTRICT AMOUNT
Guardian Ad Litem*	\$38,567	\$1,068,751
Hunting Licenses	11,783	-
Indigent Assistance*	102,175	775,718
Jury Costs	151,972	-
Legal Aid Services*	911,007	6,969,207
Liquidated Damages*	324	2,121
Littering Highways*	-	1,146
Marriage Licenses	1,159,784	-
Office Of Attorney General - Appeal Fee	656	-
Probate Tax	5,249,805	-
Process Fees	572,991	56,358,692
Putative Father Registry	94,241	-
Safety and Health Fines	1,117	56,801
State Interest	2,739,273	2,584,787
State Water Control Board Fund*	59	-
Technology Trust Fund	8,122,899	-
Temporary Boat Registration	(21)	-
Time-To-Pay Management Fee*	9,945	1,273,498
Toll Facility Civil Fine*	1,865	31,591
Trauma Center Fund*	20,819	24,826
Virginia Environmental Emergency Response Fund	-	92
Virginia Outdoor Foundation Fee	617,030	-
Virginia State Library Fund	2,278,534	-
Weighing Fee*	2	387
Writ Tax	669,357	5
Total	\$389,717,628	\$184,772,965

*The transfer of these collections from the District Court to the Circuit Court Clerk is not required.

Locality

SOURCE	FY09	
	CIRCUIT AMOUNT	DISTRICT AMOUNT
Alcohol Safety Action Program	\$ 46	\$ -
Animal Control	289	10,296
City Trial Fees	103	-
Commonwealth Attorney Fee	289,830	-
Concealed Weapons Permit - Background Check	2,334,359	12,994
Court Appointed Attorney	54,923	986,020
Court Reporter	6,582	-
Courthouse Maintenance Fee*	146,588	3,435,209
Courthouse Security Fund*	346,731	14,323,695
Delinquent Land Costs	13	-
Delinquent Land Penalty	1	-
Delinquent Land Tax	(50)	-
Detention Home Costs	257	184
Document Reproduction Cost	750,094	-
Fines and Forfeitures	-	55,953,958
High Constable Fees*	318	826,416
Jail Admissions Fee*	324,195	686,079
Land Redemptions	248	-
Law Library*	315,021	2,339,694
Local Blood Test	108,470	2,090
Local Commonwealth Fees	244	-
Local Grantee Tax	98,060,574	-
Local Grantor Tax	24,027,325	-
Local Interest	181,825	1,038,641
Local Jury Fees	4,823	-
Local Liquidation Damages	103	-
Local Prosecutor	12,268	3,379
Local Tax	796,334	-
Local Training Academy*	57,414	1,056,488
Local Transfer Fees	262,846	-
Miscellaneous	261,139	4
Non-Consecutive Jail Time*	3,923	8,546
Sheriff's Fee*	1,904,922	8,009,081
Total	\$130,251,759	\$88,692,773

Town

SOURCE	FY09	
	CIRCUIT AMOUNT	DISTRICT AMOUNT
Town Interest	\$ 102,266	\$ 98,202
Town Fines	7,907,181	7,221,420
Town Costs	93,888	154,381
Total	\$8,103,335	\$7,474,002

Clerk's Fees

The Code of Virginia defines the instances and transactions for which the Clerks of the Circuit Court can charge a fee. The following table details a listing of amounts of the fees collected by source.

SOURCE	FY09 AMOUNT
FEES:	
Chancery	\$ 1,122
Circuit Court Clerk	4,075,765
Copies	2,396,808
Court Reporter	131,180
Criminal	1,581,005
Filing Financing Statements	237,138
Judgment Docket	833,540
Land Assessment Appraisal	57
Law	6,517,739
Marriage Licenses	580,415
Marriages Performed	17,416
Passports	406,893
Pawnbrokers License	203
Postage	14,060
Qualifying Notaries	283,644
Recording Deeds And Contract	24,112,894
Register Fictitious Name	307,422
Secure Remote Access	36,185
Wills And Administration	2,582,573
COMMISSIONS:	
General Receiver	20,239

	FY09
SOURCE	AMOUNT
Grantee Tax	4,953,074
Grantor Tax	1,221,164
Hunting And Fishing Licenses	14,211
Local Collections	514,375
Local Deed Tax	72,31
Local Tax Penalty	21
Wills And Administration	37,146
OTHER:	
Deputy Salary Supplements Provided By Locality	47,584
Ex-Officio Salary	135
Interest Earned	164,755
Miscellaneous	86,364
Total	\$51,247,442

3. State Compensation Board Reimbursement

The Compensation Board reimburses the local governments for the Commonwealth's share of the approved budget for Constitutional Officers. The amounts listed under this heading represent the reimbursements for the Circuit Court Clerks and Sheriffs' costs for process serving and courtroom security.

4. Expenses

Judicial Administrations

Judges and District Court staff salaries paid by State

- Salaries and fringe benefits paid by the Supreme Court of Virginia for judges in both the Circuit and District Courts and those costs for the District Court Clerks and other staff. The Supreme Court does not pay any of the cost of the Circuit Court Clerks or their staff.

State Portion

- The amount the Compensation Board reimbursed for the Commonwealth portion of the salary and fringe benefits of the Circuit Court Clerk and of their staff supported by the Commonwealth.

Local Portion

- The amount the locality reported in the Comparative Report as local expenses for Court operations.

Sheriff Support

Sheriffs provide security for the courthouse and courtrooms and provide process serving for both the Circuit and District Courts. The Compensation Board provides funding in the Sheriff's budget for courtroom security and process serving, for which it reimburses the locality. This amount represents the cost reimbursed by the Compensation Board and the actual cost reported by the locality in the Comparative Report. The allocation uses the number of judges between Circuit and District Courts by applying a 2:1 ratio. We allocated two Circuit Court judges for every one District Court judge taking into account the processing serving performed for the Circuit Courts.

5. Code Required Transfers Subject to Commission

Section 16.1-69.48 of the Code of Virginia requires that District Courts transfer all of their collections unless specified by law to the Circuit Court Clerk. Sources marked with an asterisk under Note 2 are not subject to this transfer provision.

6. Excess Fees Commonwealth and Locality Collections

At least annually, and for larger Circuit Courts more often, the Compensation Board compares total collections with approved and incurred expenses and determines if the Clerk has collected funds in excess of the authorized Compensation Board budget. For larger Courts, the Compensation Board uses estimates to project the excess. Because the calculation uses collections and expenses paid from the Clerk's Fee Account, many refer to the calculations as "Excess Fees."

If the Compensation Board determines that the Clerk has collections in excess of authorized expenses, the Compensation Board approves a disbursement of the excess to the Commonwealth and the Locality. For fiscal year 2009, the Commonwealth received one-third and the locality received two-thirds of the fees in excess of authorized expenses. Effective July 1, 2009, the Commonwealth will retain two-thirds and the locality will receive one-third with the exception of the thirty-first judicial circuit. The localities of the Cities of Newport News, Richmond, and Roanoke have elected not to participate in the excess fee calculation and thus retain their Clerk's fees.

The following Local Governments received Excess Fees in fiscal year 2009.

Counties			Cities
Accomack	Gloucester	Prince George	Alexandria
Albemarle	Goochland	Prince William	Charlottesville
Arlington	Greene	Roanoke	Chesapeake
Augusta	Greensville	Rockbridge	Fredericksburg
Bedford	Hanover	Rockingham	Hampton
Botetourt	Henrico	Shenandoah	Lynchburg
Campbell	Isle of Wight	Spotsylvania	Norfolk
Caroline	King George	Stafford	Petersburg
Chesterfield	Lancaster	Warren	Portsmouth
Clarke	Loudoun	Washington	Salem
Culpeper	Louisa	York	Suffolk
Dinwiddie	Mecklenburg		Virginia Beach
Fairfax	Montgomery		Waynesboro
Fauquier	New Kent		Williamsburg
Fluvanna	Northampton		
Franklin	Orange		
Frederick	Powhatan		

7. Individual Locality Schedules

The following localities currently operate only District Courts, and therefore, do not show any Circuit Court information. Typically, an adjoining locality's Circuit Court provides services to these localities.

District Courts

City of Emporia
City of Fairfax
City of Franklin
City of Falls Church
City of Galax

8. Obtaining Report in Electronic Format

An electronic copy of this report is available on the Internet. To locate this report, access the Auditor of Public Accounts' Reports page at <http://www.apa.virginia.gov>.